

I. FUTURE AMENDMENTS TO PLAN

The Plan may be amended as described in this section.

A. Substantial Amendments

Substantial Amendments, in accordance with ORS 457.085(2)(i), shall require the same notice, hearing, and approval procedure required of the original Plan, under ORS 457.095, including public involvement, consultation with taxing districts, presentation to the Planning Commission, and adoption by the City Council by non-emergency ordinance after a hearing. Notice of such hearing shall be provided to individuals or households within the City of Newport, as required by ORS 457.120. Notice of adoption of a Substantial Amendment shall be provided in accordance with ORS 457.095 and 457.115.

Substantial Amendments are amendments that:

1. Add land to the urban renewal area, except for an addition of land that totals not more than 1% of the existing area of the urban renewal area; or
2. Increase the maximum amount of indebtedness that can be issued or incurred under the Plan.

B. Major Amendments

Major amendments will be reviewed by the Planning Commission and by an ad hoc advisory committee, both of which will send an advisory recommendation to the Agency. Major amendments require approval by the Agency by resolution, after consideration of the recommendations by the Planning Commission and the ad hoc advisory committee.

Major amendments are amendments that:

1. Increase the duration of the timeframe for the urban renewal area. Any increase in the duration of the timeframe of the urban renewal area will also require consultation with affected taxing districts.
2. Delete land that totals more than 1% of the existing area of the urban renewal area.
3. Add any new project where the project cost is in excess of \$500,000 as indexed annually by the inflation rate used in the Report accompanying the adoption of the Newport Northside Urban Renewal Plan or any subsequent Report for a Substantial Amendment, whichever is most current. A new

project is a project that is not already designated in the Plan or does not fall within one of the general categories of projects designated in the Plan.

C. Minor Amendments

Minor Amendments are amendments that are not Substantial Amendments as defined in this Plan and in ORS 457 and are not Major Amendments as defined in this Plan. Minor Amendments require approval by the Agency by resolution.

D. Amendments to the Newport Comprehensive Plan and/or Newport Zoning Ordinance

Amendments to the Newport Comprehensive Plan and/or Newport Zoning Ordinance that affect the Urban Renewal Plan and/or the Urban Renewal Area shall be incorporated automatically within the Urban Renewal Plan without any separate action required by the Agency or the City Council.

II. DURATION OF THE PLAN

This Plan will not exceed ____ years from the date of adoption.

III. FISCAL STEWARDSHIP

A. Annual Report

The Agency will prepare an annual report as required by ORS 457.460. In addition to the requirements stated therein, the Agency will send a copy of the annual project and financial report to all taxing jurisdictions. The annual report will include a statement of the remaining maximum indebtedness of the Plan.

B. Revenue Sharing

The Agency will notify the taxing jurisdictions of revenue sharing responsibilities of the Plan as defined in ORS 457.470 and as analyzed in the Report accompanying the Plan and any Substantial Amendment. The analysis will include the projected timing of revenue sharing.

C. Under-levy

Under-levy provisions are allowed under ORS 457.455. The specific steps in evaluating an under-levy request are:

1. A taxing jurisdiction seeking an under levy must send a formal, written request to the Agency by January 1 preceding the fiscal year in which they are desiring an under-levy. Taxing jurisdictions that make

such requests will be responsible for costs associated with the evaluation of the under-levy. The payment to the Agency for the costs will be made within 15 days of the notice from the Agency of the anticipated costs.

2. The Agency will, within 30 days of the under-levy request, determine the cost to review an under-levy request and notify the requesting taxing jurisdiction of the cost. The cost will include a financial evaluation. It will also include staff time to
 - a) Review bond documents for any bond covenants that may impact an under-levy.
 - b) Consult and confer with all taxing jurisdictions as required by ORS 457.455.
 - c) Participate in meetings required to evaluate the proposal.
3. The Agency will complete the review of the under-levy request within 60 days of receipt of payment for the anticipated costs identified in paragraph 2 of this section. The review will include the following analysis:
 - a) Review of binding financial agreements regarding financial commitments.
 - b) Review of bond documents/financial documents for restrictive covenants pertaining to under-levies or taking less than the full increment allocated to the Agency.
 - c) Review of financial/legal status to determine
 - (1) Will the under-levy cause an extension of the duration of the Plan as specified in the Plan?
 - (2) Will the under-levy cause a change in project timing that will cause a negative impact on the completion of projects in the Plan?
 - (3) Will the under-levy cause any negative impact on any existing contracts or contracts anticipated to be signed by the Agency in that fiscal year?

- (4) Are there sufficient reserves built into the budget to cover unforeseen expenses?
 - (5) The estimated impact of the under-levy on each taxing jurisdiction. (This is completed by multiplying the permanent rate levy amount times the amount of increment being discussed for an under-levy.)
- d) Consult and confer with taxing jurisdictions. (This step is required by statute and is especially important as there may be an unanticipated impact on compression issues with schools as a result of under-levies.)

D. Administration

The Agency is the body designated with implementation of the Plan. The Agency has no paid employees. Actual implementation of the Plan is done by City of Newport (City) employees. In order to ensure sufficient resources are available to efficiently administer the Plan, the cost of administration will be an eligible project of the Plan through reimbursement by the Agency of costs incurred by the City. The costs of administration allocated to the Plan will be evaluated and established in the annual budgeting process. After the annual budget is complete, an Order will be adopted by the Agency to memorialize the agreement between the Agency and the City as to the administrative costs to be incurred that year.